

**ADDENDUM TO THE PROVIDER AGREEMENT
TO ELECTRONICALLY FILE AND MAINTAIN
GRAIN WAREHOUSE RECEIPTS AND U.S. WAREHOUSE ACT DOCUMENTS**

This Addendum between (a) _____

(Provider) and the Farm Service Agency (FSA) authorizes the Provider to establish and maintain a database and system, referred to as a central filing system (CFS) for the purpose of electronically filing grain warehouse receipts and U.S. Warehouse Act (USWA) grain documents issued under the authority of the USWA. This Addendum permits the Provider to electronically accept and file grain warehouse receipts from warehouse operators other than USWA-licensed warehouse operators in their CFS. Such electronically filed grain warehouse receipts are hereafter referred to as "Electronic Warehouse Receipts (EWR) and USWA Electronic Documents (USWAED)." All provisions and terms of FSA's "Provider Agreement to Electronically File and Maintain Warehouse Receipts and U.S. Warehouse Act Documents (WA-460)" are incorporated except as modified or excluded herein. In this regard, Section VIII.(A)(2) and Section VIII. (A)(4) of the WA-460 are expressly excluded from this Addendum and its Appendices.

This Addendum and its Appendices prevails to the extent it conflicts with the regulations found at 7 CFR Part 735, FSA's WA-460 and the adopted Addenda and Appendices for other approved commodities. As provided for at 7 CFR § 735.2(b), the Deputy Administrator for Commodity Operations (DACO) has waived the requirement found at 7 CFR § 735.303(a) (4), that requires warehouse operators to issue all warehouse receipts as EWRs first.

Grain is defined as all products commonly classed as grain such as wheat, corn, oats, barley, rye, flaxseed, sunflower seeds, soybeans, emmer, sorghum, safflower seed, triticale, millet, other oilseeds and such other products as are ordinarily stored in grain warehouses, subject to the disapproval of DACO.

Notwithstanding any Federal law or USDA data security restrictions, nothing contained herein should be interpreted or construed by a Provider so as to deny cooperation with a State licensing authority with respect to access to examination or investigation data stored in a CFS by a State-licensed warehouse operator.

The Provider shall not warrant or guarantee any part of the underlining transaction or activity that involves the use of the Provider's CFS to perfect or consummate such a transaction or activity. The Provider's CFS shall **not** create, perfect or establish any security interest in the underlying commodity. The underlining transaction or activity shall be administered and governed by the applicable Federal or State rule of law.

This Addendum and its Appendices sets forth the Provider's minimum requirements for operational management, EWR and USWAED record formatting, reporting requirements and the protocols to be used in the transmission of such information.

I. Common Computing Environment and eAuthentication

The Provider will, at a minimum, make available a common computing environment to the users of their CFS that offers nondiscriminatory access and ability to logon remotely to the Provider's CFS through an eAuthentication method recognized by the DACO. Before accepting an EWR or USWAED into their CFS as issued, the Provider will, at a minimum, authenticate the warehouse receipt signer as the person authorized by the warehouse operator to issue the EWR or USWAED. Note: (Warehouse Operators will

be required to submit to USDA or their applicable licensing authority a separate and individual e-signature card for each authorized EWR or USWAED signer. It will be the responsibility of USDA or the applicable licensing authority, respectfully, to supply each applicable Provider with a complete and current listing of these authorized individuals).

II. Requirements for CFS, Client/User Notification and User Agreements

The Provider will develop and operate its CFS and business services in such a manner that complies with each of the following requirements:

- A. **offers**, at a minimum, a user interface that enables information to be entered directly and concurrently from multiple and different web browsers;
- B. **accommodates** interface mechanisms that allow files to be transferred/downloaded or data to be transmitted from a client's/user's existing accounting software systems commonly used by the grain industry to populate the information fields contained in EWRs and other USWAEDs offered by the provider;
- C. **provides operational access** to the CFS 24 hours each day by its clients/users and FSA, except during designated or pre-arranged routine backup and maintenance periods. The provider shall notify FSA and clients/users no less than 48 hours prior to performing such backup and maintenance, stating the estimated time the CFS will be inoperable;
- D. **provides** a continuous period of uninterrupted access during the hours of 7:00 AM to 6:00 PM Central Time Zone. Routine backup and maintenance shall not be scheduled during these hours;
- E. **notifies** DACO and all affected clients/users immediately in situations when the CFS is idled for extraordinary maintenance or when CFS service is unexpectedly disrupted, setting forth the reasons and expected duration of periods in which the Provider cannot furnish access to its CFS;
- F. **notifies** DACO and affected clients/users immediately if any data related to an EWR or USWAED has been lost due to CFS's failure to operate in the normal manner;
- G. **notifies** the applicable licensing authority and affected clients/users immediately of any possible duplication of any EWR or USWAED issued under this Addendum and its Appendices with respect to the same agricultural product or any portion of that agricultural product while the EWR or USWAED is outstanding;
- H. **notifies** affected clients/users if the Provider's insurance policy is canceled at the same time USDA/FSA is notified, namely, no less than 60 calendar days prior to cancellation;
- I. **provides**, as authorized and permitted on a case-by-case basis by DACO, the comprehensive and continuous log and accompanying set of records that are, at a minimum, sufficient to allow for a reconstruction of the files, activities and events, including providing the affected client/user or holder with access to generate physical documents upon request pertaining to each EWR or USWAED that is: **(all apply)**
 - 1. issued,
 - 2. canceled,
 - 3. converted to paper,
 - 4. converted from paper,
 - 5. transferred or changed in any way,
 - 6. a "before" and "after" field,
 - 7. the date of change,
 - 8. the time of the change,

9. the identity of the user making the change, and
 10. details of attempts to make unauthorized changes or access to document data.
- J. **assures the** continuous log and associated records maintained for such reconstruction are kept in secure storage for a period of 6 years after December 31 of the year the EWR is canceled or the date of performance for the USWAED;
- K. **furnishes** DACO with their current public tariff for public posting on DACO's publicly available web site that at a minimum states their charges for basic services involving receiving, filing, maintaining and transmitting EWR and USWAED data;
- L. **furnishes** DACO and all clients/users a 60-calendar day advance notice of their intent to change any charges and rates. If the change(s) involve an increase in such charges or rates, no further increase shall occur for a minimum of one year after the effective date of the change(s). Further, the rates in effect at the time a client/user enters into a User Agreement with a Provider shall remain in effect for a minimum of one year, unless such rates are decreased and/or DACO grants the clients/users a waiver to change Providers pursuant to Section II. (M) of this Addendum;
- M. **enters into** a signed User Agreement with each client/user that sets forth the terms and conditions regarding the use of the Provider's CFS. Warehouse operators and other clients/users of the Provider's CFS shall become an *ex-facto* party to this Addendum and its Appendices upon their acceptance and execution of the Provider's User Agreement. The Provider's User Agreement with warehouse operators and other clients/users shall incorporate the specific duties and responsibilities, as set forth in the regulations found at 7 CFR Part 735, FSA's WA-460, this Addendum and its Appendices.

The User Agreement, among other things, shall incorporate the following statements:

1. Warehouse operators and other clients/users may change Providers only once a year, unless waived or modified by DACO;
2. If changing Providers, warehouse operators and other clients/users must: **(all)**
 - a. **notify** DACO, the current Provider, and their Licensing Authority, if applicable, 30 calendar days prior to the intended transfer date. Notification must include an exact date for the transfer;
 - b. **send** notices of the change to each holder of open EWRs and USWAEDs issued within the previous 12 months not less than 30 calendar days prior to the transfer date.

The notice must: **(all)**

- i. **inform** their holders that no access to their EWRs and USWAEDs will be available on the intended transfer date; and
- ii. **clearly state** the last day that the current Provider will be utilized, and the first day that the new Provider will be effective; and
- c. **pay** all charges, including transfer charges, due the current Provider prior to the transfer of EWRs and USWAEDs to the new Provider.

Note: Failure to pay may delay the transfer of data files to the new Provider;

3. Warehouse operators and other clients/users will be held severally liable for failing to follow the provisions set forth in Sections IV. D and E of this Addendum and its Appendices. Warehouse operators and other clients/users shall not commit fraud by: **(each)**
 - a. **issuing or holding** both a paper warehouse receipt and a EWR representing the same grain outstanding or uncanceled at the same time; or
 - b. **issuing or holding** both a USWA paper document and a USWAED representing the same agricultural product outstanding or performing at the same time; and
 4. DACO reserves the right to suspend or terminate a warehouse operator or client's/user's right to access or use the Provider's CFS, pending an investigation, if they have a reasonable belief that a serious violation of Federal or State law and/or regulation has occurred.
- N. **ensures** that each warehouse operator has a current electronic profile for EWRs or USWAEDs that are issued on file with its applicable licensing authority. The electronic profile will consist of the same language and information contained in paper warehouse receipts or USWA documents, terms and conditions of the EWR or USWAED, common repetitious information, under whose authority the EWR or USWAED is issued, warehouse operator's lien, business organization type, and other information specific to the warehouse;
- O. **ensures** the on-site security of its computer hardware, software and data designed to prevent the destruction of its facilities and stored data and the unauthorized access to and distribution of EWR or USWAED information;
- P. **utilizes** state-of-the-art computer system security standards to protect its computer/CFS systems and backup systems used to store and disseminate EWRs and other USWAEDs;
- Q. **secures** data and all transmissions of data by using hardware and software approved by DACO;
- R. **requires** that, when transferring a warehouse operator's data to another Provider, a complete list of all holders of any active EWRs, USWAEDs or other electronic records maintained in its CFS be transferred to the new Provider and the applicable client/user;
- S. **requires** that, when receiving a transfer of a warehouse operator or other client's/user's data from another Provider, access be made to all holders and authorized users not later than 7:00 a.m. Central Time the day after the transfer date;
- T. **prevents and precludes** the warehouse operator or other client/user from making changes or modifications to any data field of a EWR or USWAED originally completed or intentionally left blank by the issuing warehouse operator or other client/user. However, the current holder may request a new EWR or USWAED at any time by making the issuing warehouse operator/client/user the holder of the EWR or USWAED before issuing the new EWR or USWAED;
- U. **makes** available a common template for EWRs and USWAEDs that contains information fields appropriate to the particular commodity;
- V. **maintains** the anonymity of each subsequent holder's identity; however each subsequent holder will be able to view the identity of the previous holder only;

- W. **establishes** the chain of custody of the EWR and USWAED from the warehouse operator's or other client's/user's initial issuance to the initial holder, from the initial holder to a possible subsequent holder, from each subsequent holder to the next subsequent holder, from the last subsequent holder (or, initial holder if the EWR or USWAED was not negotiated) to the warehouse operator for load-out or settlement, and the warehouse operator that is the final and the last holder and that cancels the EWR or USWAED in the Provider's CFS;
- X. **allows** the issuing warehouse operator to update only data in trailer files, storage charges and payment fields without being made the current holder;
- Y. **notifies** DACO and all CFS clients/users in writing not less than 60 calendar days prior to their planned termination of this Provider Addendum and Appendices; and
- Z. As set forth at 7 CFR § 735.303(c), a warehouse operator not licensed under the USWA may, at its option, issue EWRs in accordance with FSA's WA-460, this Addendum and its Appendices; however, this option does not apply to a warehouse operator that is licensed under State law to store agricultural products in a warehouse if the warehouse operator elects to issue an EWR under State law.

III. **Optional Issuance of Warehouse Receipts**

Warehouse operators operating under the provisions of this Addendum, its Appendices and the Provider's User Agreement shall have the option to issue warehouse receipts initially as a paper warehouse receipt or as a EWR.

IV. **EWR and USWAED Information Requirements**

The EWR and USWAED Information Requirements are as provided for in this Addendum's Appendices, except as otherwise authorized by DACO. The Provider shall, at a minimum, make the elements listed in this Addendum's Appendices and below available to every USWA warehouse operator, State-licensed warehouse operator and warehouse operators not subject to regulation by Federal or State Warehouse Licensing Authorities who issue EWRs in their CFS. The Provider shall advise warehouse operators that it is the warehouse operator's responsibility to supply the necessary data to complete these elements.

A. **Additional Information**

This Addendum and its Appendices do not restrict the number of additional fields that may be made available to State licensing authorities or warehouse operators.

B. **Required elements that can be modified without the warehouse operator being the holder**

FSA will allow the warehouse operator to modify the EWR elements, "date through which storage has been paid", "storage start date", or "prepaid in or out charges" without being the holder of the EWR. The Provider shall notify the current holder of the EWR of any changes.

C. **Suspending an EWR or USWAED to issue an Interim Paper Warehouse Receipt or USWA Document**

When suspending an EWR or USWAED, respectively, to issue an Interim Paper Warehouse Receipt or USWA Document, the Provider shall follow the procedures set forth in this Addendum's Appendices, except as otherwise authorized by DACO.

D. Converting a Paper Warehouse Receipt or USWA Document to an EWR or USWAED

When converting a Paper Warehouse Receipt or USWA Document, respectively, to an EWR or USWAED, the Provider shall follow the procedures set forth in this Addendum's Appendices, except as otherwise authorized by DACO.

E. Trailer Files and Non-Required EWR or USWAED Data or Information

Procedures governing Trailer Files and Non-Required EWR or USWAED Data or Information are set forth in this Addendum's Appendices, except as otherwise authorized by DACO.

V. Security of Data

- A. The provider shall use only data encryption and security methods that are commonly used in the industry and which are recognized and approved by DACO.
- B. The Provider shall adhere to all aspects of Federal and State public disclosure and privacy laws and regulations.
- C. The Provider shall notify DACO of the name and address of the actual off-site location where the Provider's disaster-recovery records are stored.
- D. The Provider shall notify DACO and clients/users immediately if and/or when it detects any breach in security involving its software and/or computer systems that may compromise, in any way, the sanctity of EWRs, USWAEDs, or related data or information.

VI. Transmission of Data

The Provider shall make available free of charge to FSA and State licensing authorities a common computer utility program that downloads USDA-approved warehouse examination data from their CFS.

VII. Required EWR and USWAED Information/Profiles for Warehouse Operators

The Required EWR and USWAED Information/Profiles for Warehouse Operators are as provided for in this Addendum's Appendices, except as otherwise authorized by DACO. This information must be recorded on all EWRs or USWAEDs or within the warehouse operator's EWR or USWAED profile. Each warehouse operator shall have a posted EWR or USWAED profile.

VIII. Assignment of EWR and USWAED Serial Numbers

The Provider shall ensure that: **(each)**

- A. Warehouse operators issue EWRs consecutively within the serial number range(s) assigned by DACO or the applicable licensing authority, and shall ensure that warehouse receipts are issued in sequential order and no duplicate warehouse receipt serial numbers are issued. FSA will assign EWR serial number ranges for warehouse operators who are not subject to regulation by Federal or State Warehouse Licensing Authorities.
- B. USWA licensed warehouse operators, or other client/users issue USWAEDs consecutively within the serial number range(s) assigned by DACO and shall ensure that USWAEDs are issued in sequential order and no duplicate USWAED serial numbers are issued.

IX. Suspension or Termination

DACO, upon having reasonable belief that any serious violation of Federal or State law and regulations has occurred and pending an investigation, reserves the right to suspend or terminate FSA's WA-460, this Addendum and its Appendices.

X. Contact:

Chief, Licensing Branch
Warehouse Licensing and Examination Division
Kansas City Commodity Office
P.O. Box 419205 – Stop 9148
Kansas City, MO 64141-6205

Phone: 816-926-6474

Fax: 816-926-1774

(b) Name of Provider

(c) Signature of Provider

(d) Title of Provider

(e) Date

(f) Signature of Deputy Administrator for Commodity Operations

(g) Date

NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a) and the Paperwork Reduction Act of 1995, as amended. The authority for requesting the following information is the regulations at 7 CFR 735. The information will be used to complete the terms of an agreement between the Provider and the Deputy Administrator for Commodity Operations. Furnishing the requested information is voluntary, however, without it, eligibility to become a provider under the United States Warehouse Act and the decision as to the applicant's eligibility for a provider agreement must be made in part on the basis of the information provided. This information may be provided to other agencies, IRS, Department of Justice, or other State and Federal law enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including: 18 U.S.C. 286, 287, 371, 641, 651, 1001; 1014, and 31 U.S.C. 3729, may be applicable to the information provided.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays an OMB control number. The valid OMB control number of this information collection is 0560-0120. The time required to complete this information collection is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. **RETURN THIS COMPLETED FORM TO THE KANSAS CITY COMMODITY OFFICE, POST OFFICE BOX 419205, KANSAS CITY, MO 64141-6205.**

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